



***United States Attorney
Southern District of New York***

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**U.S. ARRESTS CONNECTICUT MAN ON CHARGE
OF SELLING STOLEN MICROSOFT WINDOWS SOURCE CODE**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, announced the arrest of WILLIAM P. GENOVESE, JR., a/k/a "illwill," a/k/a "xillwillx@yahoo.com" today on federal charges related to his sale of the source code - the non-public and proprietary code in which software developers write programs - for the computer programs Microsoft Windows NT 4.0 and Windows 2000, which had previously been misappropriated by other individuals.

According to a criminal Complaint unsealed today, on or about February 12, 2004, Microsoft learned that significant portions of the source code for both Windows NT 4.0 and Windows 2000 - which Microsoft considers the "crown jewels" of the company - were misappropriated (the "Stolen Source Code") and unlawfully released onto, and distributed over, the Internet

without its authorization. That same day, according to the Complaint, GENOVESE posted a message on his Web site, "illmob.org," which announced that he had obtained a copy of the Stolen Source Code and was offering it for sale. Access to a software program's source code can allow someone to replicate the program or find vulnerabilities.

As alleged in the Complaint, in February 2004, an investigator with an online security firm hired by Microsoft downloaded a copy of the Stolen Source Code from GENOVESE's site, after sending GENOVESE an electronic payment. Additionally, according to the Complaint, in July 2004, an undercover FBI agent also downloaded a copy of the Stolen Source Code from GENOVESE's site after the investigator had made another electronic payment to GENOVESE.

Additionally, as alleged in the Complaint, in March 2003, GENOVESE was convicted of eavesdropping, in violation of Connecticut General Statutes, and was sentenced to two years' probation. That charge allegedly arose from GENOVESE's unauthorized access in or about 2000 to a number of victims' computers in Connecticut. According to the Complaint, GENOVESE accomplished this unauthorized access by infecting the victims' computers with a type of virus that allowed him to remotely access the computers and then accessing the victims' computers,

capturing their activities using keylogging software,¹ taking over control of the victims' computers, and sending instant messages to the victims telling them what he was doing.

The federal Complaint charges GENOVESE with one count of unlawfully distributing a trade secret, in violation of the Economic Espionage Act.

If convicted of the charges set forth in the Complaint, GENOVESE faces a maximum sentence of 10 years in prison and a fine of \$250,000 or twice the gross gain or loss resulting from the offense.

Mr. KELLEY praised the outstanding efforts of the Federal Bureau of Investigation's computer crimes squad. Mr. KELLEY also thanked Microsoft Corporation for its assistance in the investigation of this case.

Mr. KELLEY said the investigation is continuing.

GENOVESE, 27, of Meriden, Connecticut, was arrested this morning by FBI agents and is scheduled to be presented later today before United States Magistrate Judge KEVIN N. FOX.

Assistant United States Attorney ALEXANDER H. SOUTHWELL is in charge of the prosecution.

The charges contained in the Complaint are merely accusations, and the defendant is presumed innocent unless and

¹ Keylogging software, also known as a keystroke logger, is a program or hardware device that captures every key depression on a computer.

until proven guilty.

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